VZCZCXRO9730 PP RUEHAST RUEHHM RUEHLN RUEHMA RUEHPB RUEHPOD RUEHTM DE RUEHBJ #4332/01 3310023 ZNR UUUUU ZZH P 260023Z NOV 08 FM AMEMBASSY BEIJING TO RUEHC/SECSTATE WASHDC PRIORITY 1075 RUEAEPA/HQ EPA WASHDC RHMFIUU/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHDC RUEHCN/AMCONSUL CHENGDU 9544 RUEHGZ/AMCONSUL GUANGZHOU 0019 RUEHGH/AMCONSUL SHANGHAI 9528 RUEHSH/AMCONSUL SHENYANG 9203 RUEHHK/AMCONSUL HONG KONG 0735 RUEHUM/AMEMBASSY ULAANBAATAR 3640 RUEHEK/AMEMBASSY BISHKEK 1343 RUEHZN/ENVIRONMENT SCIENCE AND TECHNOLOGY COLLECTIVE RUEHIN/AIT TAIPEI 7126

UNCLAS SECTION 01 OF 03 BEIJING 004332

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: <u>SENV</u> <u>ENGRD</u> <u>EAID</u> <u>CH</u>

SUBJECT: COMBATING LAND DEGRADATION IN CHINA: A LOOK AT THE PRC-GEF

DRYLANDS PARTNERSHIP

BEIJING 00004332 001.2 OF 003

11. (SBU) SUMMARY: An International Workshop on "Integrated Ecosystems Management (IEM): Approaches and Applications" was held in Beijing (Nov. 6-7) under the auspices of China's Ministry of Finance, the State Forestry Administration of China, the Asian Development Bank, and the Global Environment Facility (GEF). The purpose of the workshop was to review progress made during the first four-year phase (2004-2008) of the PRC-GEF Partnership on Land Degradation in Dryland Ecosystems Project, share experiences and "best practices" in land degradation control, and strengthen technical coordination, cooperation and capacity building efforts. Progress made in combating land degradation, as evidenced in workshop presentations and discussion, will likely encourage the establishment of additional land management partnerships based on IEM approaches and applications. END SUMMARY.

BACKGROUND

- 12. (U) Much of China's land area lies in arid or semi-arid zones and is highly vulnerable to drought and desertification. Land degradation affects the livelihood, agricultural production, and environmental quality of nearly a quarter of China's population, especially in the western part of China. According to the GEF and the Asia Development Bank, climate change, unsustainable agricultural practices, deforestation, and mismanagement of water resources has caused more than 2.6 million square kilometers (km2) -- around 27 percent of the country -- to suffer from land degradation. Dry areas in western China cover roughly 40 percent of the country's total land area, and degraded land there is expanding at an annual rate of about 3,500 km2. In addition, land degradation in western China causes dust and sandstorms, and reduced water quality due to silting, affecting the lives of several hundred million people.
- 13. (U) The PRC-GEF Partnership on Combating Land Degradation in Dryland Ecosystems -- the first partnership between the Chinese government and the GEF -- was initiated in 2002 to support integrated ecosystem management approaches to combat land degradation, reduce poverty, and restore dry land ecosystems in China's western region. IEM combines ecological, economic, and societal objectives to alleviate poverty, combat land degradation, and conserve biodiversity. The PRC-GEF Partnership operates through a country programming framework (CPF) approved by the GEF Council in

12002. The CPF covers a 10-year period (2003-2012) and is aimed at building institutional capacity for IEM models with the eventual goal of widespread dissemination and replication. Four projects are currently being implemented in China under the CFP: 1) the Capacity Building to Combat Land Degradation Project; 2) the Xinjiang/Gansu Pastoral Development Project; 3) the Helan Shan IEM Project in Ningxia; and 4) the Conservation and Rehabilitation of Dryland Ecosystems Project.

PROMOTING GEF PARTNERSHIPS AND CAPACITY BUILDING

- 14. (U) Under the general themes of partnership building, information sharing, and collaboration, workshop presentations focused on progress made in sustainable land management projects utilizing IEM approaches. Specific presentations included progress on land degradation control in western China, sustainable land and water management in Zambia, initiatives on sustainable land management in Caribbean Small Island Developing States (SIDS), and land degradation control in Central Asia (Kyrgyz Republic). There was general agreement that IEM approaches, as exemplified by the PRC-GEF Partnership, have been valuable in combating land degradation and that partnerships should be more widely adopted.
- ¶5. (U) Countries and project managers addressed how lessons learned in China from the PRC-GEF Partnership could best help Caribbean, African, and Central Asian countries meet their particular land degradation demands and challenges. For the Caribbean, increased capacity building related to their region and partnerships that will help adapt land management applications to their needs. For Africa, partnerships for sharing sustainable land management expertise are needed most, as well as financial support and the need to mobilize human resources. For Central Asia, the key issue is funding.

BEIJING 00004332 002.8 OF 003

Kyrgyzstan has only \$4 million over the next 10 years to address land degradation, but new demands are expected. For all, sustainable land conservation depends on finances, subsidies, and funding, and the key challenge will be obtaining much-needed financial resources to help fund sustainable land management efforts in the most at-risk countries.

16. (U) Mr. LI Sandan, Director General of the Qinghai Forestry Bureau, emphasized the need for capacity building and reviewed the lessons learned form applying IEM concepts and methods to combat wetlands shrinkage, grasslands degradation, and decreasing biodiversity in Qinghai Province. According to Li, IEM methods in Qinghai province have strengthened coordination between different government departments charged with ecosystem protection, established a multi-sector coordination mechanism and have led to improved ecological protection, helping to increase incomes for farmers from 600 RMB to 1,500 RMB per month. Other presentations focused on strategies and action plans for combating land degradation in northwest China northwest and in Xinjiang, building information sharing networks, and strengthening community capacity building. Several presenters highlighted that China's Eleventh Five-Year Plan calls for continual effort toward combating land degradation and promoting ecosystem development.

CLIMATE CHANGE, LAND DEGRADATION, AND CONSERVATION AGRICULTURE

17. (U) Forests and conservation agriculture -- sustainable and profitable agriculture also aimed at improving livelihoods of farmers through minimal soil disturbance (no till), maintaining permanent organic cover over soil, and practicing crop rotations -- are expected to play an important role in China's efforts to mitigate the expected effects of climate change. Ms. GAO Yun, Director of the Division on Climate Change at China's Meteorological Administration, said that increasing frequency and intensity of tropical storms and dry land forest fires are hampering China's sustainable land management efforts. Gao outlined China's strategies for mitigating the effects of climate change on land areas, including relying on scientific and technological advances,

improving China's abilities to adapt to climate change, strengthening institutional mechanisms to respond to climate change, and enhancing public outreach and education efforts.

- ${ t exttt{18}}$ 8. (U) Professor Ian Swingland, Deputy Chairman of the UK's Ultra Green Group (Singapore), said that the IEM approach to land conservation, combined with sustainable forestry management, can help China build its carbon sequestration and emissions reduction capabilities. Swingland also noted that "avoided deforestation" projects (i.e. obtaining carbon credits or actual cash payments from not cutting down trees) will be able to help curb deforestation and reduce greenhouse gas emissions, when and if projects are implemented (According to United Nations data, deforestation releases about two billion tons of carbon per year.) Mr. LIU Shirong of the Chinese Academy of Forestry also sees forests as important sources for carbon sinks for China. In Liu's view, China must also do more to protect grasslands, forests, and shrubs through sustainable land and forest management to meet the challenges associated with climate change. Mr. Des McGarry, a land management consultant from Australia, discussed mitigating climate change in China, and better ensuring agricultural adaptation for impending climate change, through the application of conservation agriculture.
- ¶9. (SBU) COMMENT: Through the PRC-GEF Drylands Partnership, China has made some progress combating land degradation, but significant challenges remain. Large variations within China's environment-related legal processes exist across the six provinces where these processes have been applied, and existing land management and ecology protection regulatory systems will need to be strengthened if progress in combating land degradation is to continue. Chinese environmental officials insist that over the last four years integrated ecosystem management approaches have helped improve grasslands management, soil conservation, and reforestation efforts, but recognize that combating land degradation and desertification will be a long term endeavor and that linking efforts to combat land degradation to social and economic development will be critical for the success of current and future

BEIJING 00004332 003.8 OF 003

projects. Especially challenging for the Chinese government will be educating farmers and local officials on the need to shift from existing farming and livestock practices to ecologically-friendly farming and grazing techniques, something many communities so far have been reluctant to do out of fear of reducing already meager livelihoods. END COMMENT

RANDT